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Turks and Caicos Islands

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I. General

1. The Turks and Caicos Islands is a Non-Self-Governing Territory administered by the United Kingdom of Great Britain and Northern Ireland. The Territory comprises 40 islands and cays, which lie 145 kilometres north of Haiti and the Dominican Republic and 925 kilometres south-east of Miami, United States of America. Six islands are permanently inhabited: Grand Turk, where the administrative capital, Cockburn Town, is located; Providenciales, the business and tourist centre; North, Middle and South Caicos; and Salt Cay. The area of the Territory is 948.2 square kilometres.[1]

2. The Turks and Caicos Islands were discovered by Spain in 1512. From 1874 to 1959, the Islands were governed by the United Kingdom of Great Britain and Northern Ireland as a dependency of Jamaica. They became a separate colony of the United Kingdom in 1962, under the control of the Bahamas. When the Bahamas achieved independence in 1973, the Turks and Caicos Islands were placed under a British Governor stationed in Grand Turk.[2]

3. As reported previously, the British Overseas Territories Act of 2002 provided the right to British citizenship for the citizens of all United Kingdom Territories, including the Turks and Caicos Islands.

4. According to information provided by the administering Power, the estimated total population of the Territory for 2007 stood at 34,862[2] and according to the territorial Government, it is expected to grow by almost 2,000 during 2008.[3] This represents a large increase over the 2001 figure of 19,886 and is due mainly to immigration. According to the latest available statistics, some 21,500 individuals, mostly from Haiti and the Dominican Republic, as well as the United States of America, Canada, the United Kingdom and other European countries, are considered "non-belongers".[4] Approximately 11,750 citizens of the Turks and Caicos Islands, the so-called "belongers", have the right to vote and to stand in general elections. Belonger status is granted by the Cabinet based on length of residence in the Territory, contribution to society and how well one has assimilated into the community. One may also become a belonger through marriage.

5. Nearly two thirds of the belonger population and the great majority of the expatriate community (approximately 17,750) reside on Providenciales.[4] The second largest population centre is Grand Turk, with approximately 5,700 inhabitants, followed by North, Middle and South Caicos and Salt Cay.[4] The majority of the Territory's population is of African descent, the rest being of mixed or European origin. English is the main language, with some Creole spoken by Haitian immigrants. The main religion is Christianity.[2]

Note: The information contained in the present paper has been derived from published sources, including those of the territorial Government, and from information transmitted to the Secretary-General by the administering Power under Article 73 *e* of the Charter of the United Nations.

[1] www.depstc.org/quickstats/qstat1.html, accessed 8 February 2007.

[2] Information transmitted by the administering Power, 9 January 2008.

[3] Turks and Caicos Government website, www.depstc.org/census.

[4] Kairi Consultants Limited, Main Situational Analysis Report, October 2006, p. 19.

II. Constitutional, legal and political issues

6. A new Constitution came into effect in Turks and Caicos on 9 August 2006. It was negotiated as a result of the 1999 United Kingdom Government White Paper on the relationship between the United Kingdom and its Overseas Territories,[5] which required the Territories to amend their local legislation in certain areas, in order to meet international standards. The British Overseas Territories Act 2002 came into force in May 2002.[6]

7. Under the new constitution, the Turks and Caicos Islands continues to operate on the basis of a ministerial system of Government. There continues to be a Governor in the Territory appointed by the administering Power.[2] The current Governor is Richard Tauwhare, who was sworn into office on 11 July 2005. The new Constitution created the position of Deputy Governor who must be a belonger and is appointed by the Governor. The first Deputy Governor, Ms. Mahala Wynns, was appointed on 9 August 2006.[7]

8. The Executive Government consists of a Cabinet, headed by a Premier, Mr. Michael Misick, and composed of the Governor as Chairman, the Premier, six other Ministers and the Attorney General. The Governor is responsible for external affairs, defence, internal security, including the police force, and some public service matters, including the regulation of international financial services, and consults with the Cabinet as necessary. Other portfolios are administered by the various Cabinet Ministers. The Governor acts on the advice of the Cabinet on these matters unless otherwise instructed by the Secretary of State on behalf of the administering Power. An Advisory National Security Council, chaired by the Governor, makes recommendations to the Cabinet on national security issues.

9. Since the 2006 Constitution came into effect, the Territory has also had a House of Assembly consisting of a Speaker, 15 elected members, four appointed members and the Attorney General.[2]

10. There are two main political parties in the Territory: the People's Democratic Movement and the Progressive National Party, formed in 1975 and 1980, respectively.

11. The most recent general election was held on 9 February 2007 with a voter turnout of 85 per cent.[8] The ruling Progressive National Party under Premier Misick won 13 seats, against 2 won by PDM.[9] The new Cabinet was sworn in by the Governor on 12 February 2007.[10] For the elections, the House of Assembly adopted the decision to increase the number of constituencies from 13 to 15 in order to take into account the increased population on Providenciales.[11]

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[5] "Partnership for Progress and Prosperity: Britain and the Overseas Territories", White Paper submitted to the House of Commons on 17 March 1999 by the United Kingdom Secretary of State for Foreign and Commonwealth Affairs.

[6] See A/AC.109/2006/15, www.opsi.gov.uk, explanatory memorandum to the Turks and Caicos Islands Constitution Order 2006 (Statutory Instrument 2006 No. 1913).

[7] www.turksandcaicosislands.gov.tc, 14 August 2006.

[8] Ibid., 22 February 2007.

[9] www.caribbeannetnews.com, 12 February 2007.

[10] www.tcifreepress.com, 15 February 2007.

[11] www.tcifreepress.com, 13 January 2007.

12. The next general election is due by April 2011.[12]

13. The legal system is based on English common law. Under the provisions of the 2006 Constitution, it continues to include magistrates' courts, the Supreme Court and the Court of Appeal, with ultimate recourse to the Privy Council. On the advice of the newly established Judicial Service Commission, the Governor appoints judges and magistrates. The posts of Attorney General and Chief Justice were advertised internationally, with both vacancies filled by individuals from the United Kingdom.[2]

14. Within the exercise of the constitutional review leading to the 2006 Constitution, an issue of particular importance to the Turks and Caicos Islands was the degree of self-government that might be achieved, including the possibility of full internal self-government. Meanwhile, the United Kingdom has consistently maintained its position that territories can exercise a choice for independence, where it is an option and where it is the clearly expressed wish of the people; however, for as long as that territory maintained a relationship with the United Kingdom, the United Kingdom would have to retain sufficient powers to protect its overall responsibility for the territory concerned. In that light, the Territory's Constitutional Modernization Review Body explained that, given the United Kingdom's position, a constitution encompassing a full measure of internal self-government (e.g. a "Bermuda-style" constitution) represented a "pre-independence" constitution and would have to be accompanied by a timetable for independence. Once that became known, there was little support in the Territory for independence[13] (for more details see previous Working Paper, A/AC/109/2007/5). The text of a new Constitution was agreed upon between the United Kingdom and the Turks and Caicos Governments in October 2005[6] and entered into force on 9 August 2006.[14]

15. While that process was ongoing, and at the request of the territorial Government, the Special Committee on Decolonization sent a mission to the Turks and Caicos Islands from 2 to 7 April 2006, the first to the Territory since 1980, to assess the situation on the ground and to inform interested groups and the public on matters of self-determination. Addressing the issue of specific political options in its report, the special mission found that the policy of the administering Power not to offer integration or free association had made the matter more complex. As a result, many people in the Turks and Caicos Islands appeared to have dismissed those options, even when it was explained that such alternatives were available to the Territory even with countries other than the United Kingdom. In this context, it should be noted that the political leadership of the governing party had been engaged in discussions with Canada, most recently in 2004, on a possible free association arrangement, thus demonstrating that such possibilities were clearly understood at the highest political levels.[15]

16. During a visit to the Bahamas in October 2007, Premier Misick reiterated earlier comments with regard to independence, noting that it was his party's decision that ultimately they would like to see Turks and Caicos as an independent country when the time was right. The Premier underlined that the current focus remained on maintaining economic independence, adding that Turks and Caicos had a window of opportunity in the next five years to develop into a first-world country

[12] www.eiu.com, Country Report January 2008.

[13] Information transmitted by the administering Power, 9 January 2007.

[14] Explanatory memorandum to the Turks and Caicos Islands Constitution Order, www.opsi.gov.uk.

[15] The report of the Special Committee's visiting mission: A/AC.109/2006/19.

with modern infrastructure. "We're putting together all of the necessary infrastructure and creating a viable economy and a viable country so that independence as an option will be an easy transition if and when the people choose to go that route," he said. The Premier also noted that there were advantages to retaining ties with the United Kingdom. He noted benefits such as schooling without the additional costs tied to international students and the ability to gain employment without having to acquire work permits.[16]

17. On 5 July 2007, the Foreign Affairs Committee of the United Kingdom House of Commons began a comprehensive inquiry into the exercise by the Foreign and Commonwealth Office of its responsibilities in relation to the Overseas Territories and the achievements of the Foreign and Commonwealth Office against its Strategic priority no. 10, the security and good governance of the Overseas Territories. During the first oral evidence session with the Foreign Affairs Committee of the House of Commons in London on 3 December 2007, Premier Misick stated that it was time for all territories to have a modern relationship with the United Kingdom and to embrace real cabinet Government, as in Gibraltar and Bermuda, where the Chief Minister or Premier was President or Chairman of the Cabinet. With regard to his Territory's new constitution, he noted that while it was certainly working, he still believed that maximum autonomy could have been given within the framework of their relationship with the United Kingdom.[17]

18. The Premier also pointed out the need for better relations between the Parliament of the United Kingdom and the Members of Parliament in the overseas territories. Representation from the territories was needed, as in the cases of Scotland and Wales; such representation could be in the House of Commons or elsewhere. On certain issues, such as security, and some elements related to foreign relations, he also believed there was scope for a degree of delegation of the Governor's power.[13]

19. On a separate issue, the Foreign Affairs Committee also questioned the Premier about allegations of substantial financial impropriety taking place in the Turks and Caicos Islands. The representation received by the Committee implied that corruption, including at the Government level, was taking place, although the Committee noted it had reached no view or conclusion on the matter. Premier Misick categorically denied that there was any corruption at the Government level in the Territory. He also informed the Committee that an anti-corruption bill was undergoing a first reading in their parliament, and that the Government intended for it to go through during the first quarter of 2008.[13]

III. Budget

20. The budget is projected on a triennial basis, with annual revisions. The fiscal year covers the period from April to March.[18]

21. The 2007-2008 budget address, presented by the Minister of Finance on 23 April 2007, outlines a total of recurrent expenditure of approximately

[16] TCI Free Press, tcifreepress.com, 31 October 2007 and tcweeklynews.com, 22 October 2007.

[17] www.parliament.uk.

[18] Social and economic indicators 2005, Caribbean Development Bank, Economic Department, April 2006.

$231 million, which represents a 16 per cent increase over the previous fiscal year. Furthermore, recurrent revenues of $237 million, representing a 15 per cent increase over 2006-2007, are expected. At the end of the 2005-2006 fiscal year, there was a surplus of $17.5 million. The projected surplus for the 2007-2008 fiscal year is $5.8 million.[19]

22. While the overall economy of the Territory has made great progress over the past two decades or so, the Government has acknowledged the need to address considerable imbalances among the various islands and social groups. One measure taken was the launch of a Ten-year National development plan on 27 October 2005, reported in the 2007 working paper (A/AC.109/2007/5), with the aim of providing a long-term vision for the Territory's development and a strategic framework for Government and private sector activities.[20] The Plan consists of a series of three-year cycles linked to the Public sector investment programme and a recurrent expenditure programme.[21] In his April 2007 budget address, the Minister of Finance noted that the Government intended to use the development plan as a basis for future budgets, in an effort to ensure budget allocations according to the stated goals of the plan.

23. In recent years, the Turks and Caicos Islands have received funding from the European Union and multilateral agencies, in addition to funds from the United Kingdom. Under the European Development Fund, in 2007 the Turks and Caicos Islands received $13 million in funding to build a causeway between North and Middle Caicos (see also sect. IV E). There are also discussions on future European assistance to the Islands under European Development Fund, scheduled to begin in early 2008.[22]

IV. Economic conditions

A. General

24. Since the 1980s, the main sectors of the economy have been upmarket tourism, international financial services, fishing, property development and real estate. Foreign investors, mainly from Canada, the United Kingdom and the United States, play a significant role in the economic life of the Islands. The main focus of investment activity is the island of Providenciales.[23] The territorial Government levies no taxes on corporate or personal income, capital gains or inheritance. The United States dollar is the official currency of the Turks and Caicos Islands.

25. According to the administering Power, the economy has remained buoyant throughout most of 2007. Gross Domestic Product (GDP) growth in 2006 was estimated at 10.8 per cent, following growth of 12 per cent in 2005, and 11.6 per cent in 2004. GDP at constant prices has continued to rise from $368,724 (2004) to $413,005 (2005), and to $457,726 (2006).

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[19] 2006-07 Budget Address, May 2006, pp. 12 and 21.

[20] www.depstc.org, press release, May 2006.

[21] "Launch of the Ten-year development plan for the Turks and Caicos Islands", by Mr. Hall, 27 October 2005, www.depstc.org.

[22] www.depstc.org, press releases, November 2006.

[23] www.eiu.com, Country profile, Turks and Caicos Islands Main report, 7 June 2006.

26. Tourism and related real estate development, predominantly in Providenciales, account for 53.9 per cent of GDP, and the financial services sector accounts for 11.8 per cent.[24] The Department of Economic Planning and Statistics of the territorial Government reported that agriculture and fishing contributed 1.3 per cent, industries 7.2 per cent and services 16 per cent in 2006.[25]

27. The tourism and construction boom has spread to the Caicos Islands and Grand Turk. The territorial Government is investing heavily in infrastructure projects across the Territory, such as roads, ports and airports. In December 2007, the Minister of Finance, Deputy Premier and the Minister of Health signed an agreement to provide financing for two new hospitals, to be located in Grand Turk and Providenciales. The hospitals, which will require an investment of around $100 million, represent the largest single capital investment project ever made by the Government.[26] In addition, funding of $50 to $100 million has been obtained from the RBTT Merchant Bank of Trinidad and Tobago to build schools, recreation facilities, a new courthouse and new police headquarters.[27]

B. Tourism

28. The Turks and Caicos Islands tourism sector continued to record one of the fastest growth rates (41 per cent in 2006) in the entire Caribbean. Tourist arrivals have more than tripled since 1995, when arrivals stood at 78,957, to 248,343 in 2006. According to the Director of the Tourism Board, a further 9 to 11 per cent growth is expected from 2006 to 2007.[28] Most tourists come from the United States (68 per cent of total visitors), followed by Canada (12 percent) and Europe (10 per cent).[29]

29. The vast majority of arrivals (84 per cent) are accommodated at resorts on Providenciales. A $35 million Carnival cruise ship port project in Grand Turk was completed in 2006. The terminal has brought economic opportunities for small businesses and traders in Grand Turk, boosting the economy on the island[2] far beyond expectations, with well over 200 ships and 400,000 passengers having visited the port by the end of 2007. According to the Grand Turk Cruise ship schedule, an estimated 148 cruise ships are expected to call on Grand Turk during the first 10 months of 2008.[30]

C. Financial services

30. Financial services, including company registration, trust business and insurance, are the second largest source of external revenue after tourism and the

[24] Economic survey of the Caribbean 2005-2006, October 2006 (http://www.eclac.cl/cgi-bin/getProd.asp?xml=/publicaciones/sml/9/26989.xml&xsl=/portofspain/tpl-i/p9f.xsl&base=/portofspain/tpl-i/top-bottom.xslt.

[25] www.depstc.org, labour and employment statistics.

[26] The Economist Intelligence Unit, www.eiu.com, Country Report 2008.

[27] www.carribbeannetnews.com, 16 January 2008.

[28] www.suntci.com/year.asp: Accessed 22.01.2008.

[29] www.depstc.org/stat/economic/tourism.html: Accessed 22.01.2008.

[30] www.travelvideo.tv/news/comments.php, 11 January 2007, and "Turks and Caicos Sun" www.suntci.com, 29 February 2008.

third largest employer in the Turks and Caicos Islands. In September 2007, the Government passed a financial services bill, the Financial Services Commission Ordinance, which the Minister of Finance described as a major initiative in the move towards a more mixed and diverse economy.[31] According to information provided by the administering Power, the main aims of the Financial Services Commission Ordinance are to enforce the independence of the Financial Services Commission from the Government by segregating finances; clarify sanctions available to the Financial Services Commission when a breach of legislation, regulations or guidelines occurs; and to eliminate delegated responsibility and revert authority to the management of the FSC for all matters pertaining to the FSC.[32]

31. In his 14 January 2008 address to the Islanders, the Premier announced that in an effort to ensure the continuing competitiveness of the Territory for global investments, it had been decided to separate certain functions currently undertaken by the Office of the Premier, as of 1 April 2008. The Premier added that a banking agency, to be called the Turks and Caicos Development Bank, would be established within the Ministry of Finance, to widen its scope to focus on empowering belongers by assisting in training, small business management, entrepreneurship and sourcing funds for more lending. Meanwhile, the Turks and Caicos Trade and Investment Promotions Agency would remain within the office of the Premier, with a focus on promoting inward investment, trade and the marketing of financial services products.[33]

32. According to the administering Power, constitutional responsibility for the international regulation of the Territory's offshore finance sector continues to rest with the Governor.

33. The use of the United States dollar as the official currency continues to be among the attractions for offshore companies, along with the absence of direct taxation, a growing financial infrastructure, fast and straightforward company registration procedures, extensive financial freedom and confidentiality. Several pieces of new legislation to enhance the regulatory framework are being prepared, including separate reviews of banking, insurance and company ordinances. Also, a money transmission ordinance came into effect in October 2007.[34]

D. Agriculture, fisheries, construction and manufacturing

34. Agricultural production, based mostly on North and Middle Caicos, is small and consists mainly of subsistence-type farming.[35] The sector has begun to grow in recent years, with more produce available for sale on Providenciales, and the establishment of a farmers' cooperative. About 20 per cent of the Territory's working population is involved in agriculture and fishing.[25] Efforts are continuing to develop an agricultural policy to assist local farmers and promote substitution for some imported food items. Investment in high-value, specialty export activities, such as fin-fish and shrimp farming, tropical fish breeding, hydroponic gardening and ornamental horticulture, has great potential. The Department of Economic

[31] http://www.suntci.com/financial.asp.

[32] Information transmitted by the administering Power. 5 February 2008.

[33] Turks and Caicos Sun, www.suntci.com, 15 January 2008.

[34] Information transmitted by the administering Power on 5 February 2008.

[35] Ibid., p. 55.

Planning and Statistics of the territorial Government reported that during the period under review, agriculture and fishing contributed 1.3 per cent to GDP.[36]

35. Conch and lobster are the main catches. According to the administering Power, the Turks and Caicos Islands is home to the world's only commercial conch farm, where domestic conch is raised for export. The Ministry of Natural Resources, Fisheries, and the Environment is also engaged in a five-year research project to assess the feasibility of establishing lobster aquaculture on the Islands.[37] A pilot project to produce shrimp and tilapia at fish farms is scheduled for the spring of 2008 with the hope that a commercial-scale farm will be completed by the end of 2009.[38]

36. The Department of Environment and Coastal Resources launched an environmental awareness campaign in 2007, specifically targeting businesses and defining their role in the Territory's conservation efforts. In November 2007, the Turks and Caicos Government hosted a regional Environmental Conference in Providenciales on fostering a green culture in small island nations, at which Ministerial Heads and Ministers of the Environment from the Caribbean Community and the British Overseas Territories met to discuss policy initiatives, legislative advancements, technological innovations and research that had been undertaken in environmental management in their respective countries.[39] During his January 2008 address, the Premier announced the decision of the Government to create an umbrella agency, called the Environmental Protection Agency, dealing with all issues of environmental protection, preservation and management.

37. International construction companies are based in the Turks and Caicos Islands. Sand and rock are quarried locally for use in construction projects, most significantly for hotels and commercial buildings.[25] According to the latest available real estate sales figures for 2006, strong increases in high-value transactions could be detected, with the gross number of sales (157) rising compared to 2005 by 44 per cent, representing a total value of $83 million.[40]

38. As reported in the 2006 working paper, in February 2006, the Government launched the Territory's first affordable housing programme, open to all local citizens and residents. The goal of the programme is to provide anywhere from 70 to 500 homes.[41] At the beginning of 2007, the first 107 people moved into 20 newly built homes in the public housing project in Blue Hill, Providenciales.[42]

39. The production of local goods, such as handicrafts, has grown in tandem with the vast economic development and tourism.[43]

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[36] www.depstc.org, labour and employment statistics.

[37] www.caribbeannetnews.com: 21 January 2008.

[38] Shrimp News International, www.shrimpnews.com, 14 December 2007.

[39] www.caribbeannetnews.com: 7 September 2007.

[40] www.turksandcaicosproperty.com, accessed 31 January 2007.

[41] See A/AC.109/2006/15.

[42] www.tcifreepress.com, 27 January 2007.

[43] www.tcinvest.tc/manufacturing.htm.

E. Infrastructure

40. Transport and communication facilities are of fairly good quality. The road network covers about 120 kilometres, with 24 kilometres of paved roads on Grand Turk, Providenciales and the Caicos Islands.[25] As mentioned in paragraph 23, European Development Funds were secured to build a new causeway to link the two largest Caicos Islands (North and Middle). The causeway was officially opened by Premier Misick in October 2007. The causeway is one of a series of initiatives to improve transport links between the islands. A tarmac road network from the western tip of North Caicos to the eastern tip of Middle Caicos has also been constructed.[25] As part of a $70 million airport redevelopment project, the North Caicos airport is being upgraded to allow for an expected increase in use of the airport. A new terminal will also be built to alleviate overcrowding at the Providenciales International Airport, and its runway is being extended from 7,700 to 10,000 ft. to accommodate trans-Atlantic flights. The territorial Government will pursue a further phase of bridge-building, with a planned link to East Harbour, South Caicos, to unite all three Caicos Islands.[44]

41. During the period under review, the airports on Providenciales and Grand Turk received regular flights from the Bahamas, the Dominican Republic, Haiti, Jamaica, the United Kingdom and the United States.

42. Domestic inter-island air services are provided by Skyking, Turks and Caicos Airways and some local charters. North, Middle and South Caicos each have paved airstrips.[45]

43. The main commercial port (South Dock) is situated in Providenciales. Grand Turk also has a commercial port, and a new deep water port in North Caicos was completed in 2007.[46]

44. As reported in the 2006 working paper (A/AC.109/2006/15), Cable and Wireless, a British telecommunications company, used to provide all domestic and international telephone services in the Territory. In July 2004, the telecommunications bill introduced gradual liberalization of the sector and created a commission to regulate the industry. Since Cable and Wireless relinquished its exclusive licence, an ongoing process of liberalization is expected to result in a total of four companies serving the Islands. Two companies, Digicel and Island.com are already operating.[47] This has extended the range of services available and improved mobile phone coverage.

45. There are 12 cable television channels on Grand Turk and 32 on Providenciales, and 6 radio stations. Official on-air testing for an additional new national television channel with TCI New Media Network took place on 28 January 2008. There are no daily newspapers, but the first daily on-line news forum for the Turks and Caicos Islands, established by the Turks and Caicos television network WIV4, was launched in November 2007.[48] The Turks and Caicos Weekly News and

[44] The Economist Intelligence Unit, www.eiu.com, Country Report 2008, and Premier Misick's address, 14 January 2008, www.suntci.com.

[45] Information transmitted by the administering Power, 9 January 2007; www.eiu.com, country profile, 7 June 2006.

[46] Eagle Land DevelopmentsTurks & Caicos Islands, 2007, www.caicosproperties.tc/News.html.

[47] Information transmitted by the administering Power, 9 January 2008.

[48] http://wiv4.wordpress.com/about-2/.

Turks and Caicos Sun are published weekly. The Turks and Caicos Islands Free Press is published once every two weeks. The Times of the Islands, an international magazine aimed at business and tourism, is issued quarterly.[25]

V. Social conditions

A. Immigration and labour

46. During the Foreign Affairs Committee's first oral evidence session of the inquiry into the Overseas Territories on 3 December 2007, Premier Misick stated that one of the greatest threats to Turks and Caicos was illegal immigration from Haiti. He noted that on average 400 to 500 people a week came by boat to Turks and Caicos and that the Government was spending millions of dollars repatriating them with no financial assistance from the United Kingdom. He also added that, while boats from the Royal Navy occasionally made visits, they did not provide assistance in patrolling the waters surrounding the Islands.[13]

47. Certain social problems, such as overcrowding, housing shortages and an increase in the number of female-headed households, are particularly affecting migrant workers, with both Chinese and Haitian immigrants known to be living in overcrowded makeshift camps.[49] In late September 2007, three Haitian migrants awaiting deportation from the Turks and Caicos Islands died in an overcrowded detention centre, reportedly of dehydration. The detention centre had been dealing with a high number of Haitian migrants and this was the second incident of fatalities among detainees. The incidents have focused attention on the treatment of Haitian migrants.[50]

48. In September 2006, the Department of Economics, Planning and Statistics estimated that in 2005, the Turks and Caicos labour force was 18,966. Some 70.9 per cent of the workforce is employed in the service sector, followed by industries and agriculture and fishing. The second largest group of employees besides Turks and Caicos islanders were Haitians, comprising 4,154 in 2006.[51]

49. In comparison to the period 1990-2004, in which the unemployment rate never fell below 12 per cent, the unemployment rate in 2006 was 8 per cent. However, unemployment is spread unevenly throughout the Territory; Providenciales has almost full employment, whereas on the other islands, unemployment varies from 14 to 20 per cent. Thus, inter-island migration by people in search of work is common.[2]

50. Under the Employment Ordinance 2004, as of 1 December 2006 the Turks and Caicos Islands instituted a minimum basic wage of $5 per hour.[52] Trade unions are not permitted on the Turks and Caicos Islands. Labour disputes are dealt with via the Island's Labour Tribunal.[53]

[49] http://tcweeklynews.com/8 October 2007, and www.suntci.com, 20 November 2007.
[50] www.eiu.com, Turks and Caicos Islands Country Report, January 2008.
[51] www.depstc.org, labour and employment statistics.
[52] www.caribbeannetnews.com, 1 December 2006.
[53] http://www.suntci.com/unions.asp, 26 September 2007.

B. Education, youth and sports

51. Education in the Territory is free and compulsory for children from 5 to 16 years of age. There are 39 schools on the Islands, total, with a total enrolment of 5,257, covering preschool through tertiary education. Fourteen of these are Government-run schools. Of the 14, 10 are primary schools and 4 are high schools. Although there are more private than public schools, more students are enrolled at public schools — 3,291 and 1,966 students respectively.[54] As to higher education, there is a community college with branches on Grand Turk and Providenciales that provides two-year courses, mostly in vocational subjects. The adult literacy rate is 98 per cent.[2]

52. An increase in projected expenditures for the 2006-2007 fiscal year includes an increase in the support to the Sports Commission to $818,396 and in scholarship costs to $13 million.[55] Since January 2007, citizens from the Overseas Territories have benefited from the home student fee rate at English universities.[56]

53. The Territory opened its first hotel school on 6 January 2007. It offers specialized courses to help interested Turks and Caicos islanders enter the tourist industry.[57]

54. For the first time in history, Turks and Caicos Islands successfully hosted the Caribbean Free Trade Association Games, on Providenciales on 6 and 7 April 2007.[58] During the Foreign Affairs Committee's first oral evidence session of the inquiry into the Overseas Territories on 3 December 2007, Premier Misick raised the issue of a Turks and Caicos Olympic team. "Despite the fact that we have a constitutional relationship with the United Kingdom, all of our various Territories have their own distinct identities. The people have their own aspirations and national pride. Nothing in the world can instil national pride and identity more than sports. I believe it is an injustice," he said.[59]

C. Health

55. The public hospital network is comprised of the main facility, the Grand Turk Hospital and the Myrtle Rigby Health Clinic, located on Providenciales. There are nine community health clinics on six islands: a 30-bed health complex on Grand Turk; a Government clinic on Providenciales; two clinics on Middle Caicos and two on Caicos; a clinic on South Caicos; and one on Salt Cay.[60] As mentioned earlier, in December 2007, the Ministers of Finance and Health signed an agreement to provide financing for two new hospitals to be located on Grand Turk and Providenciales, at the expected cost of $100 million.[61]

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[54] Turks and Caicos Islands' Department of Economic Planning and Statistics, February 2008, www.depstc.org.

[55] 2006-2007 budget address, May 2006, p. 28.

[56] http://www.fco.gov.uk, 23 November 2006, Lord Triesman, Overseas Territories Minister, eighth meeting of the Overseas Territories Consultative Council on 21 and 22 November 2006.

[57] www.suntci.com, 2 February 2007.

[58] www.jonesbahamas.com, 18 April 2006.

[59] www.parliament.UK.

[60] Kairi Consultants Limited, Main Situational Analysis Report, October 2006, p. 81.

[61] www.eiu.com, Turks and Caicos Islands Country Report, January 2008.

56. Directors from the American International Institute of Health Sciences visited the Turks and Caicos Islands in 2007, with the aim of establishing a medical school in the Territory. It is expected to be ready by May 2008.[62]

57. For anything other than basic health care, Turks and Caicos islanders receive treatment in Miami, United States, at the expense of the territorial Government. However, in Premier Misick's 2008 annual address, the Premier highlighted the Government's concern over the escalating costs of medical treatment abroad, and noted that it was no longer a sustainable alternative, as these treatments continued to represent major budget cost overruns. The Government therefore planned to introduce a national health insurance plan to reduce the cost, announcing that there would be a period of public consultation prior to the implementation of the plan. The Premier noted that, coupled with the construction of the new hospitals, it was hoped that this new initiative would help eliminate the need for medical treatments abroad.

58. The 2006-2007 budget provided approximately $31.182 million to health services, compared with $28 million the previous fiscal year.[63]

D. Crime

59. As previously mentioned, Turks and Caicos is confronted with a large-scale problem stemming from illegal immigration, mostly from Haiti.

60. The territorial Government has begun talks with the Government of Haiti to negotiate a memorandum of understanding covering the smuggling of Haitians and their return. Haitian officials visited the Turks and Caicos Islands in August 2007. According to Premier Misick, as mentioned in section V. A., on average 400 to 500 people per week come by boat from Haiti to Turks and Caicos, where some seek work and others try to move on to the Bahamas or the United States. The local Police Department, particularly the Special Police Immigration and Customs Enforcement Unit, is actively engaged in border control and the detection and return of illegal immigrants, with additional vehicles, aircraft, equipment and staff used for detecting illegal migrants, and boats to patrol Turks and Caicos territorial waters to counter illegal migration and fishing.[64] In May 2007, the Turks and Caicos police were accused of ramming a boat full of Haitian migrants that capsized off the coast of Providenciales, killing at least 63 migrants. However, an investigation by the United Kingdom Accident Investigation Branch found no evidence of such action.[65] In December 2007, the Turks and Caicos Government, the Bahamas Minister of State for Immigration, and the United States Ambassador to the Bahamas held talks to improve cooperation in combating illegal immigration and drug trafficking.[66]

61. Gun-related crime has increased on the Turks and Caicos Islands, leading the police to launch a month-long gun amnesty in May 2007, which led to 7 firearms

[62] www.suntci.com/medical.asp. 14 November 2007.

[63] 2006-07 Budget Address, May 2006, p. 27; Kairi Consultants Limited, Main Situational Analysis Report, October 2006, p. 83.

[64] Information transmitted by the administering Power, 9 January 2007; the Associated Press, 21 February 2007.

[65] www.eiu.com, Turks and Caicos Islands Country Report, January 2008.

[66] www.caribbeannetnews.com/turks. 7 December 2008.

and 71 rounds of ammunition being handed in.[67] During 2007, an additional 36 officers were recruited to the Royal Turks and Caicos Islands police force and a new Five-year strategic plan for the force and a new management service unit were put in place.

62. Other problems include the increase in criminal activities among children and teenagers and the rise of serious criminal cases over the past years to 61 in 2006.

VI. Relations with international organizations and partners

63. In March 2006, the Turks and Caicos Islands was granted associate membership in the Economic Commission for Latin America and the Caribbean. The Territory was admitted as an associate member of the Commission's Caribbean Development and Cooperation Committee in early 2008.

64. The Turks and Caicos Islands is an associate member of the Caribbean Community and of the Association of Caribbean States.[68] The Territory is a member of the Caribbean Development Bank and the International Criminal Police Organization. According to the administering Power, closer links are being sought with the Organisation of Eastern Caribbean States and with the neighbouring Bahamas.[2]

65. Along with 17 Caribbean nations, the Turks and Caicos Islands form part of a World Bank catastrophe insurance pool established to assist the islands in the event of natural disasters.[69]

66. The United Kingdom and the Overseas Territories represented at the 2007 Consultative Council meeting held in London on 4 and 5 December 2007, including the Turks and Caicos Islands, agreed to extend the United Nations Convention Against Corruption to all the Overseas Territories at the earliest opportunity, as well as setting a date of June 2008 for the extension of the ILO Convention 182 on the Worst Forms of Child Labour, and December 2008 for the extension of the Convention on the Elimination of All Forms of Discrimination against Women to all the Overseas Territories.[70]

67. In February 2008, the Minister of Human Services introduced the Human Rights Commission Bill intended to harmonize Turks and Caicos law with that of the rest of the world. The Bill has yet to pass following a debate in the Turks and Caicos Islands House of Assembly.[71]

68. Information on United Nations system activities involving the Turks and Caicos Islands, including on consultations concerning the International Labour Conventions and the International Labour Recommendations, can be found in document E/2006/47.

[67] www.tcifreepress.com, 8 June 2007.
[68] www.acs-aec.org, Pressrelease13, 2006.
[69] http://www.upi.com, 27 February 2007.
[70] www.fco.gov.uk, press release, 6 December 2007.
[71] caribbeannetnews.com, 13 February 2008.

VII. Future status of the Territory

A. Position of the territorial Government

69. The position of the territorial Government regarding the future status of the Turks and Caicos Islands is discussed in chapter II above in connection with the constitutional modernization review exercise.

B. Position of the administering Power

70. In a statement made on 11 October 2007 before the Special Political and Decolonization Committee (Fourth Committee) during the sixty-second session of the General Assembly, the representative of the United Kingdom said, inter alia, that "her Government, as administering Power for ten Non-Self-Governing Territories, gave every help and encouragement to those Territories which wished to proceed to independence, where that was an option. Her Government and its overseas territories continued to work towards the shared goals of security, stability and sustainable political and economic development, democracy, good governance and the rule of law. ... Her Government carefully considered all proposals for constitutional change received from the Territories".[72]

71. As previously reported,[73] in a statement made on 24 April 2006, while visiting the Turks and Caicos Islands, the United Kingdom Overseas Territories Minister took stock of the relationship between the United Kingdom and the Overseas Territories seven years on from the 1999 White Paper entitled "Partnership for Progress and Prosperity: Britain and the Overseas Territories".[5] An elaboration of the United Kingdom's position on alternative forms of relationship, as set out in General Assembly resolution 1541 (XV), has been previously provided.[74]

C. Action by the General Assembly

72. On 17 December 2007, the General Assembly adopted resolutions 62/118 A and B without a vote, based on the report of the Special Committee transmitted to the General Assembly (A/62/23) and its subsequent consideration by the Special Political and Decolonization Committee (A/62/412). Section X of resolution 62/118 B concerns the Turks and Caicos Islands. Under that section's operative paragraphs, the General Assembly:

1. *Welcomes* the new Constitution of the Territory, which took effect in August 2006, and notes the emphasis placed by the re-elected territorial Government on economic development and modernization;

2. *Also welcomes* the ongoing efforts made by the Government addressing the need for attention to be paid to the enhancement of social cohesion across the Territory.

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[72] See A/C.4/62/SR.5.

[73] See A/AC.109/2007/3.

[74] A/AC.109/2007/3.